#### A DEFENCE OF TRUSTS.

THEY ARE SAID TO BE BOTH NECESSARY AND WHOLESOME

MR' DODD, COUNSEL FOR THE STANDARD OIL TRUST, PRESENTS AN INTERESTING ARGU-MENT IN FAVOR OF COMBINATION

AND SAYS IT WILL STAND IN LAW AND IN LOGIC.

Trusts, in the strict sense of the term, are formed by the stockholders of various corporations placing their stocks in the hands of trustees, with the result that the stockholders thereby become interested in all the corporations whose stocks are thus placed in trust, and the corporations are managed with a view to the united interests of the stockholders. The corporations are no longer competitive, but co-operative.

Such trusts, like all other business combinations, whether partnerships, associations or corporations, are evil if organized and conducted for Federal law. evil purposes, and beneficial if organized and conducted for legitimate purposes. There can be no objection to the mode of combination if the purse be a valid one. There is at least one good and sufficient reason for the existence of this particular form of association arising out of our no right to do business in other States except by some States foreign corporations may not hold by taxation. Consequently, when parties assoto organize corporations in each separate State in will be relegated to the original and aboriginal which their business is localized, and to secure plan. unity of interests of their separate corporations by a trust. Notwithstanding all that has been said of the purposes and objects of trusts, this was the sole reason for their original formation, and of trade, or tending to prevent competition, or must be recognized as a reason for their exist- fixing prices, are contrary to common law. It ence so long as business corporations cannot be organized under Federal laws.

business associations. They are interested in re- trary to law. When all such agreements are sults. They assume that the trusts now existing made illegal the law will become a dead letter or have been formed for certain purposes and have business will stop. The common law permits certain effects; consequently, all arrangements a party to purchase the business of another for supposed to have such purposes and effects are the very purpose of preventing competition. Coclassed as trusts, no matter whether the instrumentality be a trust, properly speaking, or some other form of combination, or simple agreement and arrangement without organized combination.

Any discussion of trusts would be barren which did not recognize this wide meaning. It must be considered to what extent the supposed evil purposes and effects are in fact evils, and to what extent they are chargeable upon trusts in the proper sense of the term.

#### ANTI-TRUST LEGISLATION.

State of the Union, and in many States have public policy. become laws. These bills can be safely assumed est terms. An examination of scores of such bills

of pools, trusts and conspiracies" enacts that any | in business. corporation, partnership or individual shall be guilty of conspiracy who shall enter into any pool, of any article of merchandise, or to fix or limit the | be limited. amount or quantity of any article to be manufactured, mined, produced or sold in the State.

A law in Texas makes it a criminal offence for persons to enter into any contract or agreement ness, regardless of form or magnitude, were not to sell, dispose of or transport any article deemed nuisances and conspiracies. Laws were below a common standard figure, or to keep the enacted making it criminal for five or more perprice of any article at a fixed or graduated figure, sons to associate, either by covenant or partneror to establish or settle the price of any article ship, for dealing in coals or other commodities. between themselves or themselves and others, or Joint stock associations were denounced as crimes. to preclude a free and unrestricted competition Laws were passed which recited that "opening among themselves or others. It defines a trust books for public subscription and drawing persons to be a combination of capital, skill or acts by to subscribe was dangerous and mischievous; two or more persons for any of the purposes above that "the combining of persons and capital and mentioned and numerous others, including a com- the issuing of transferable stock was a public bination of capital or skill for the purpose of re- nuisance," and the offenders were subjected to a

trusts and combinations makes criminal trusts, tions then were the same reiterated with so much combinations and agreements designed, or which force to-day. These laws were based upon the tend to advance, reduce or control the cost of arti-

Laws in other States make criminal agreements to sell a limited or specific quantity of any article, to sell any article at a certain price, to set. So great was the fear of this influence on prices tle or establish a price, to agree upon the amount of product which shall be sold or manufactured, to suspend or cease the sale or manufacture of any product; also agreements not to manufacture or manufacture more than a specified quantity of punishment. Ordinary and essential business or produce any article, and not to produce, mine within a specified time.

These laws may not be considered as embracing the more conservative views of those opposed to trusts. I now include, therefore, the most conservative of the many bills introduced in Congress and now pending in the Senate. This bill proposes to render criminal by Federal law an agreement between two persons "intended to prevent full and free competition," and also agreements "intended to advance the cost of commodities to the consumer."

ALL CO-OPERATION RENDERED ILLEGAL.

"Full" competition means unlimited competition. An agreement of partnership or of co-operation of any kind is an agreement intended to limit competition, and an agreement between partners or tradesmen to mark up their prices is an agreement intended to advance the cost of commodities to the consumer. Such an agreement between two persons would, under the proposed law, subject them to a fine of \$10,000 and imprisonment

for five years. It must be admitted that if agreements and arrangements of the character specified are made criminal, trusts will be effectually prevented, as will also all other business combinations and associations. Some of the results intended to be guarded against are inevitably produced by the formation of any partnership, association or corperation. They may also be just as surely produced by agreement, understanding and arrangement without the formation of either of the forms of combination named. These laws prevent any

co operation in business. The evils specified, if evils at all, are inherent in business to such an extent that it cannot be carried on without them. Destroy freedom of contract as proposed, and business in the modern sense of the term becomes impossible. Business though such combination was criminal. Without men would never meet together without violation of the law. The "higgling of the market" by stood was impossible. England's huge manufactorwhich prices are made and unmade would become jes, her great warehouses and her steamships would a crime. Fixing of prices by partners on the products in which they deal would constitute a

tablish this conclusion. Two grocers in a country and combination must, therefore, necessarily be village are in competition and have carried their free, for combination is but a form of competition. competition to such an extreme that both are on the verge of ruin. They come together and impossible," was proven to be a popular fallacy, agree to cease competing and to combine their for combination became not only possible, but the business by establishing a partnership. They fix rule of business, and still competition increased. their prices at a remunerative figure and agree articles they will deal, and that they will not deal competition is the strongest and produces its best in others. They agree to manufacture some of the products in which they deal, but to restrict experience. The latest utterances on this subject their manufacture within certain limits. Having by the English Court of Appeals show that the close rivalry in a particular commodity, they law and ordinary business common sense are at agree to put the price of that commodity low in last in harmony. This court, announcing the law

vance the price of other articles.

This will be recognized as a statement of ordinary transactions such as take place every day in business. It will be readily admitted that if such transactions are rendered criminal no business can be carried on. Traders will close their shops or crowd the penitentiaries. A reference to the catalogue of crimes above enumerated will show that the parties to such a transaction have filled full the sum of all the specified villanics. They have entered into a combination, confederation or trust. They have thereby lessened and pessibly destroyed competition within the sphere of their business. They have advanced the price of commodities. They have done acts intended and tending to force a competitor out of business. They have agreed to fix, limit and diminish the production of an article in which they deal. They have agreed to fix, increase and also to diminish prices. They have, by combinations of persons and capital, affected prices and production. Possibly, also, by combination of skill they have been able to reduce prices, which is a heinous crime by the law of Texas, and is proposed by the Senator from Texas to be made a crime by

There is not a business man, no matter how honorable, who has not again and again offended against the whole law. Can men bargain without fixing, limiting, increasing and treducing prices? Can individuals associate in business without power to fix, limit, increase and reduce, peculiar combination of Federal and State Gov- as business exigencies demand, the amount of ernments. Corporations are created by the States, their output? Can persons associate and coare citizens of the State where formed, and have operate without lessening competition? Can persons compete successfully without endeavoring species of toleration called interstate comity. to draw business to themselves, and is not the tendency of all successful competition to force land, and in others they are discriminated against the weaker competitors to the wall? Business will be individualized with a vengeance when ciate themselves and their capital for doing busi- freedom of contract is destroyed to the extent ness in different States, they find it convenient these proposed and enacted laws demand. It

#### THE RULE OF COMMON LAW.

It is often stated that agreements in restraint must be apparent that if this statement is true business can only be carried on contrary to law. The public care little for the mere form of The truth is that some such agreements are conoperation, though it prevents the rivalry of the parties co-operating, is not forbidden. Persons may associate in business for the purpose of selling at lower prices, although the inevitable effect will be to ruin others already in the business, and so far from being criminal, it is pronounced by our highest courts to be meritorious and publicspirited. Persons may form partnerships and fix and regulate their prices, and raise them and lower them, and agree that they will sell this and will not sell that, and fix and limit the amount they will manufacture, produce, buy and sell, A full and specific statement of the evils sup- and they may push their business by all lawful posed to be inflicted upon the public by trusts may means, although others in the same business are be obtained by studying proposed and enacted crowded out in consequence, and no court within anti-trust laws. Bills to suppress trusts have the last century has dreamed of pronouncing been presented in Congress and in nearly every such partnerships or such business contrary to

The proposal and enactment of laws of this to set forth the opinions of all classes of people character in order to prevent trusts brings out in all portions of the land, expressed in the clear- in strong light a fact which I wish to emphasize. which all I have said is preliminary, shows that the evils which legislators are anxious namely, that a trust is an association for business to suppress can be classified under a few heads. purposes, and laws to prevent trusts are neces-A law passed in Missouri "for the punishment sarily laws to prevent association or co-operation

The real question in regard to trusts is not whether the purpose of this trust is good and of trust, agreement, combination, confederation or that one bad, but whether association for business understanding with any other corporation, part- purposes is injurious to the public, and to what nership or individual, to regulate or fix the price extent, if at all, the right of association should

> I prefer to discuss this question in the light of experience rather than to spin fine theories.

Less than a century ago combinations in busiforfeiture of all goods and lands, and to im-A law enacted in Kansas to declare unlawful prisonment for life. The objections to associaof persons for the purpose of carrying on trade is calculated to put down individual industry that it was criminal for workingmen to combine to obtain an increase of wages. Prices of provisions might rise, the coin might be debased, but workingmen could not unite to ask for a corresponding increase for their work under fear supposed to increase prices. A man might not buy goods on the way to market, or buy to sell again in the same market, or buy in large quantities. Any person who made any motion by word, letter, message or otherwise to any person for the enhancing of the prices of goods was guilty of crime. One man was convicted for expressing the opinion that the hop crop was exhausted and prices would rise, and another for purchasing 250 bushels of oats and selling them at a profit of six cents a bushel. These practices, it is said, had a tendency to deprive the poor of

the necessities of life and "blinked upon murder." None of these laws interfered with freedom of contract to so great an extent as the anti-trust laws above referred to. They made combination criminal, it is true, as well as all acts tending to increase prices, but persons might still fix and establish their prices and agree not to sell below a remunerative profit. Producers might still agree to restrict over-production, and traders might still unite their money and skill to some extent in order to reduce cost of production.

What was the effect of these laws? They restrained freedom of contract and the free course of trade. Consequently trade was injured and prices rose. Workingmen starved. The jails were filled with sturdy beggars and vagabonds. Business, in our modern sense of the term, was unknown and impossible. After a full and fair test of legislation of this character, it was all swept from the statute book "in penitential shame," and with the confession that it produced the results it was intended to prevent.

In the meantime trade necessity became greater than law. Capital and skill were combined, alassociation and co-operation trade as now undernever have been built. Her wealth-giving mines would have remained unopened. The law was forced to give way, though slowly and sullenly, A slight consideration only is necessary to es- and to leave trade free. Competition was free, "Where combination is possible competition is Where combination is impossible business is sell below such figure. They agree in what impossible," and "where combination is possible results " are truths firmly established by business

the means it uses is competition-that parties combined to do lawful business are not unlawfully combined-that it is perfectly legitimate to combine capital for all purposes of trade for which the many acts relating to combinations and to failure in the past and the indication of a new | illegal. at present declared by the Legislature is against all fetters on combination and competition un- ing to find all business association illegal. accompanied by violence or fraud, or other like injurious acts-that parties thus combined may MODERN CONDITIONS MAKE COMBINATION carry competition to any lengths that individuals may do-that to say that a man may trade freely but that he is to stop at any act which is designed to attract business to his own shop would be a strange and impossible counsel of perfectionthat to limit combinations would in the present day be impossible, and would only be another method of attempting to set boundaries to the

### PUBLIC OPINION RAPPLY TRANSFORMING.

In this country the tide has set in the same direction. Prior to the Revolution combination in manufactures and trades were rare-industry was carried on by individuals-large capital had not been accumulated in a few hands. Do we really desire to go back to the golden age when our grandmothers with their spinning-wheels were our principal manufacturers? One anxiously desirous of a return to that primitive form of society can still find it "far from the mad'ning crowd," in the mountains of North Carolina or Tennessee, or among the Acadians in Louisiana.

Business in this country is now carried on through combinations, and cannot be carried on otherwise. Slowly but surely the law has recognized their necessity and utility. The Legislatures have removed restrictions and limitations. The courts have announced that laws preventing freedom of contract were of doubtful utility-that encouragement should be held out to individuals to embark large capital in trade-that a man should be allowed to sell the good-will of his business and the fruits of his industry on the best terms he can obtain-that it is now the genius and policy of the law, through the instrumentality of corporations, to promote industry and thrift in different classes of commerce—that corporations have become among the greatest means of State and National prosperity-that combination stimulates to competition, and enables men to engage in industry too weighty for one individual-that there is scarcely a branch of trade, from the very largest to the smallest, that does not feel the exciting and invigorating influence of the wonderful instrumentality of corporations-they engage in commerce; they build and sail ships; they bring the products of earth and sea to market; they open and work mines; they build railroads;

they keep the spindle and shuttle in motion. Political economists have been in advance of judges in recognizing the utility of combinations. Adam Smith pronounced the English laws, which are now being re-enacted in this country, as absurd as the laws against witchcraft. John Stuart Mill says that "large systems of business for large markets are whelly beneficial, and that the productive power of industry must suffer by whatever impedes the formation of large capitals." Henry Carey says "the more perfect the power of association the greater is the power of production, and the larger the proportion of the product which falls to the laborer's share." All modern economists agree that experience has settled the once doubtful problem; that combination of persons, skill and capital is indispensable and is in the public interest; that these aggregations must grow as markets widen and business grows, and that we are destined to see new developments of the power of aggregated capital to serve civilization. The lesson of experience is that although the direct and primary tendency of combinations is to lessen competition, their ultimate effect is to stimulate competition and to place it on a higher and more effective plane.

The last quarter of a century has been emphatically an era of combination in business. Has competition been destroyed? On the contrary, it was never so strong. Effort impels to effortcombination begets combination. New industries are built up-new markets are opened-new methods of manufacture invented. It is the law of life. By each striving to get ahead, all make better progress.

## GOOD EFFECTS OF COMBNATION.

Have prices been increased? On the contrary, combination in business and low prices have ever gone hand in hand. Combination has never prices have never ruled so low. Much of this decrease may be attributed to improved methods of manufacture, new machinery and lower transportation. It is still true that aggregated capital was essential to the adoption of new machinery and improved methods of manufacture, and that lower transportation is the direct result of combination of railroads, which has taken place in defiance of public opinion.

Has the individual been crushed out? To some association with other individuals. No day has ever equalled to-day in the business opportunities offered intelligent and industrious men. Employes can, and many do, invest their savings in the stocks of industrial corporations and associations, and thus share in the profits of the busi-In this direction lies the ultimate solution of the problem of profit-sharing between employer and employe. Legislators can wisely turn their attention to such measures as shall tend to make such investments free from all risks except legitimate risks. Prevention of stock-watering, with its progeny of stock manipulation and cor poration-wrecking, will encourage workmen to share in the profits of business.

Has the wage-earner suffered? On the contrary new avenues of labor have been opened, the demand for labor, and particularly skilled labor, has increased, wages are higher, the cost of living is lower, and the condition of the laboring man never so good as to-day. If there are exceptions, they arise out of excessive competition in certain classes of the labor market, caused in this country by excessive immigration of unskilled laborers. According to Mr. Atkinson, since 1865 wages of skilled workmen have advanced 108 per cent; of average mechanics, 90 per cent; of factory operatives, 78 per cent, and of common laborers, 69 per cent. The cry that as the rich grow richer the poor grow poorer" is the reverse of the truth. Poverty is due to the fact that the aggregated wealth produced is too small, much more than to the unequal distribution of that which is produced. If the surplus income of all employers were annually distributed among all laborers, it would not essentially improve their condition, and it would bring trade to a standstill in a few years for want of active capital to carry it on. What is needed is an increase of wealth-producing forces and greater economy in business. To accomplish this are absolutely necessary.

us, the man who still fears that combination will destroy competition and produce high prices would have feared a conflagration during Noah's flood.

be drawn? When is an association dangerously large? Our law-makers and some of our courts say when it tends to prevent competition. Every business partnership and corporation, as we have seen, tends to prevent competition. If a business monopolize it. If a business is world-wide an immense combination can effect competition in but to prevent competition" is purely imag-If strictly adhered to it would all business association, and its only effect is to keep all such associations under the order if possible to secure the whole business to of England as it is to-day, says that although ban of the law. Combination may be condemned dom of contract and the right of business associa-

when it limits or tends to prevent it. A learned court has very lately attempted define the lines by asserting that when the object of the association is "to promote the interests capital may, apart from combination, be legit- and add to the profits of the associates," human imately used in trade-that the statutes repealing selfishness is such that it may legally be inferred that this object will be accomplished in an unlawprevent increase of prices were a confession of ful way, and therefore such an association is Far better to have decided, not without policy for the future-that the policy of law as precedent, that all combination is criminal, than to have resorted to so peculiar a process of reason-

# NECESSARY

The magnitude of business associations cannot be limited until the magnitude of business is limited. As business increases and markets widen, greater combinations of capital will be required, and the magnitude of business associations will increase. Any attempt to limit association will he as ineffectual as an attempt to limit the tides.

If combinations are formed, as no doubt they have been and will be, for evil purposes, or if evil effects are produced by association, the law must direct its attention to the remedy of the specific evils. It is vain to hope to eradicate them by destroying or limiting the right of association. No association, call it trust or what you may,

is defensible unless formed for legitimate busi-

ness. Their legitimate purpose and effect are that of increasing production, opening wider markets and increasing consumption, lessening expenses of manufacture and sale, adopting the latest improvements and best methods of business, and thus giving to the public the best product at the smallest remunerative prices. This is the legitimate purpose of a trust, and every trust formed and operated upon any other idea is doomed to inevitable failure. It is a mode of business requiring too great an investment of capital and involving too many risks to be resorted to for the mere purpose of "cornering." Trust certificates are not as available as corporate stocks for the purpose of speculation, and should not be used for that purpose. Where this is a desideratum, trusts already formed will find they have made a mistake, and dissolve and reorganize as corporations. Trusts have not revolutionized business, as many suppose. It is some eight years since they began to attract public attention, and I cannot learn that a dozen actual trusts have ever existed. For reasons above stated, some have dissolved and reorganized in other forms. There are innumerable trade agreements and arrangements now popularly called trusts. They have always existed, and always must exist, if business is to continue. The price of everything in market is, to some extent, regulated by dealers, and in the nature of things it cannot be otherwise. Competition is a species of warfare, and no law can compel men to continue at war when it is for their interests to agree. No law can prevent two country grocers from agreeing at what prices they will sell sugar, or two neighboring farmers from having an understanding as to the price at which they will sell their wheat. Long before trusts were heard of the wholesale price of every foot of rope, every pound of hardwar every square of glass, in fact of every article of importance in trade, was, to some extent, regulated and fixed by dealers' associations, committees, or some mode of trade arrangement Notwithstanding this wellor understanding. known and long-continued system of business, prices have gone down and not up. The reason is plain. People who invest capital in a business strive to make that business permanently successful. To that end it is to their interest to keep prices at the lowest profitable point in order both to encourage consumption and to keep out competition. Large sales with small profits are better than small sales with large profits. Every advance of prices lessens the number of consumers while it invites competition of producers. Potential competition is as effective in preventing extortionate prices as actual competition.

The influence of trusts on business has no differed from that exercised by partnerships and corporations. Since the petroleum trust was formed, petroleum has decreased in price-the product is safer and better-the output has increased-exports have increased in spite of foreign competition, which would have ruined our foreign trade but for the power of aggregated capital in producing business economies in the manufacturing and marketing of our product. The business has given employment to a constantly increasing force of workmen, who obtain average wages. Every intelligent workman has a chance to rise. Hundreds are drawing large salaries who began as ordinary employes. Embeen so great as in the last fifteen years, and ployment is anxiously sought by the better class of workmen and strikes are almost unknown. Competition has not been destroyed. The amount of oil refined to-day by competitors of the trust exceeds the total quantity refined at the time the combination was formed.

Other trusts, it is claimed, have shut down manufactories and put up prices. In so doing they may have done a very wise thing, or may extent, undoubtedly, as a solitary individual. But have been guilty of foolish, immoral and illegal he has found a larger sphere for his efforts through acts. It all depends on circumstances. If the price of the product was so low that manufactories were losing money, it was no crime to curtail production and stop selling at a loss. Competition may be carried on until the weakest are ruined, workmen thrown out of employment and creditors unpaid, or the inevitable may be foreseen and prevented by agreements, arrangements, compromises and associations. It will be a serious day for business when such agreements, arrangements and combinations are prevented by law. If, however, trusts have attempted to extort an unjust price for products they adopt an illegal policy sure to end in loss if not in ruin. My anti-trust readers may say that the ad-

mission here made that combinations may be instrumental in unduly restricting production and in extorting unjust prices, even for a limited time, is a yielding of the whole question; that this is what they particularly desire to prevent. I am glad to meet such a reader on common ground. Men are seldom far apart in their views of right and wrong when once the questionable subject is clearly defined. Few sane persons will assert that those combinations are either beneficial or legitimate which are formed not for the purpose of carrying on lawful business, not for the purpose of obtaining the many legitimate advantages of association, not for the purpose of avoiding the disasters which often overtake business by reason of excessive competition and overproduction, but for the purpose of unduly restricting production and extorting undue prices from the public. Such combinations may take the form of a trust or any other form, and in any form are contrary to law. If our legislatures deemed it necessary to re-enact the common law on this subject or to prescribe additional penalties, no word would be raised in opposition. The cvil is specific, clear and well defined. No circumlocution is necessary in order to reach it by prohibitory legislation. But our special wonaggregated capital and co-operation in business der is excited when Congress and a score of State Legislatures gravely propose to eradicate With such a quarter-century of experience of this evil by prohibiting all business associations the advantages of association in business behind and all agreements and arrangements in relation to prices and production. The Interstate Commerce law prohibited the charging of unjust and unreasonable prices for transportation. That is The question remains, should the right of asso- a direct, as well as an effective, mode of reaching a specific evil. It was never seriously suggested that all charges for transportation be made criminal because an unjust and unreasonable price might be extorted. Such action would however, have been fully as wise as to prohibit all combinations because some may be for an imis small a small combination may for a time proper purpose, and to make criminal all agreements and arrangements which influence production and prices, because agreements and ara slight degree. The line drawn at "tending rangements may be made to extort undue prices. To choose that which is good and reject that which is evil, how wise is this!" said a Japanese philosopher. If this were kept in mind we would

hear less demand for laws which destroy free-

themselves. They find it also necessary to ad- the intent of combination is to check competition, when it renders competition impossible, but not tion, the two most necessary and effective in-

### A MINER'S STORY.

AN EXPERIENCE WITH JUDGE LYNCH.

In the year 1850 a number of casual acquaintances, who had a friendly feeling for each other, and whose mining claims had given out about the same time, proposed among themselves to go out prospecting for new diggings. Carefully examining the hills, guiches and little streams of water on their way, they concinded at last to take 'np claims about three miles distance from the forks of Nevada Creek, at a piace that had been overlooked by former searchers for treasure.

cinded at last to take up claims about three miles distance from the forks of Nevada Creek, at a piace that had been overlooked by former searchers for treasure.

The prospect at first was good, but a week's work resulted unsatisfactorily. Many were for abandoning the claim. Some proposed another trial, deeper down. Others said that they would do as the majority decided, and would have no voice in the discussion. One somewhat excitedly swore he would not leave until he struck "bed rock or Chima." He was joined by two of his "chums," and they set to work in good earnest, while the others lay at full length on the ground, or stood lazily looking on, chaffing, and trying to reason the hard workers out of the freak.

The camp soon followed the daily routine of a miner's life of the times, with scarce an interruption, until the provisions gave out, and Charlie was sent to go to the "White Canvas Tent," to make the necessary purchases. This tent and store was situated on a small flat at the junction of two canons about three miles away from us. The store was put up by a trader to supply the scattered gold adventurers near the vicinity, and to serve as a resort for idders on Sunday.

With two pack mules Charley started on his road, the butt of every one; as he rounded the last point of the hill, the last shot reached his ears, "Don't yer mammy feel afraid ter let yer go alone?" The answer was shouted back, "No, she sent me to buy the little boys some 'lasses candy," and he disappeared from view.

At noon a man was seen putting for our camp, apparently in a great state of excitement. His arms were swinging about like windmills. He shouted out something that none about could fathom. He was comply to be understood, he finally managed in his exhausted and breathless state to ejaculate, "Judge Lynch—your man—White Tent."

In a moment he was comprehended, and the whole camp was in commotion. Revolvers were buckled on, the bowle hinfile was a favorite, the youngest and the weakest, a most useful member; he was a sort of lead

free free from disorders and quarrels by the mer-force of his understanding of human nature. Often two made the whole allair end in shouls of merriment and a general chase after him, to pay him for his andacity. He was seldom caught, and generally knew how to circumvent his bolsterous friends. In difficulties and management he was a born leader among men; he seemed to fall easily into place in a natural way. None would have suspected his powers until the occasion came; then it was he became a prime mover and a master spirit.

Charlie reached the trading post, and this was his story: You see, boys, after I turned the corner the old

mule, Jim, as usual, began to kick up his tricks. Two or three times I had to dismount and arrange the pack saddle; beyond this nothing of consequence happened on the road until I reached the trader's, Old Beeson the road until I reached the trader's, Old Beeswax, and made my purchases. Then I packed the goods and paid my bill with our gold dust, after which I lolled about a bit and ate my lunch, while the store-keeper disappeared out to the rear of the tent. The enly person I saw about the place was a chap fast asleep on a bench outside. When the mules were packed and when I left he was in the same place.

"After traveiling slowly a good mile I saw about a dozen men coming over the road shouting. They soon overhauled me and told me I must go back again; so I just said, 'What for I What's up now!"

"One of them said, 'You'll find out soon enough when you get there.' They took my mules by the head and turned them about, marching me off with them.

"When we got pretty close to the tent I saw about twenty men gathered together, and I heard one of them say, 'They've got the feller. I guess he'll repent before he gets through with us.'

"They unpacked my mule, opened my packages

"They unpacked my mule, opened my packages and scattered them about, without finding anything; then one big, burly fellow came up to me rather roughly, and ordered me to 'take off that red shirt.' I looked at him all over, and then I said, 'Hold on a moment, will yer, what does all this mean? I don't

Taking me unawares, half a dozen of the fellers "Taking me unawares, half a dozen of the fellers grabbed me from behind, laid me on my back before I could resist, and then they searched my person. Pinding nothing, they looked rather foolish, as I thought. The spectators had now increased somewhat, and I was placed under guard. The crowd began to discuss the affair, and soon I heard voices

of the action taken by Mr. Knight.

"I spoke in slow, measured words to the judge and jury; I arged my right to be heard, taking it for granted that I was to speak in my own defence. I talked as I never had talked before, and I don't know how long I should have kept on if I had not been interrupted by a puny, pale-faced, insignificant, mean-looking pup, who cried out: 'That's enough,—we don't want to hear any more bosh. String him up, boys; his time's come.'

"In a few moments they had my arms tied behind me, and I was led under a small pine tree; a rope was thrown over one of its broken, dilapidated branches; the slip-noose was made in a bungling fashion, and slipped over my head and around my neck. The judge gave me half an hour to live, to consider over matters, and said 'I could then hang with my eves wide open and see myself die.'

"As the judge leit me with the crowd in circle about me, I noticed the mule riders arrive, hitch their animals, then come toward the pine tree. I recognized their faces as those of my friends. Hope now sprang up in my heart. I saw that one and all had stern looks, and that they were armed. They were so few in the midst of many, I dared not appeal for help: hat as Dick Folger, with his big body, paced toward me, I heard him say, as if speaking to the crowd: 'We have come to see justice done.' By his eye I knew he meant it for me to hear, and to cncourage me. Soon more friends began to arrive on foot, and I saw Dick talked with the Nevada fellers as they came up, and they all seemed to act in concert with each other, assuming positions in squads.

"The judge and witnesses, together with the jury, again entered the circle, and gave me to understand, 'The time's up.' As soon as they had pronounced the words there was a stir in the vicinity: the next moment, before I was aware of what was going on, Dick had slipped the noose off my neck, loosened the bonds that tied me, and I was a free man. The Nevada boys and a few others formed about me as a protection, and at the same time surrou

The jury who had convicted me were ananimously voted to be cobbed over a barrel, but the sentence was never carried out, as they paid a heavy forfeit in treating the crowd. The storekeeper had to make tood my losses, and in the end I got back safely to amp. My comrades arrived too late to see me hanged and saved by a miracle,' as they always put t. With my excitement I forgot to bring them the promised 'lasses candy."—(C. Ward, in The Overland.

An inland African steamboat has succeeded in running 600 miles in six weeks. This is about the average rate of a Philadelphia street railway car.+(Philadelphia Times.

TO JOIN TWO OCEANS.

A TALK ON THE NICARAGUA CANAL

REAR ADMIRAL AMMEN'S INTERESTING DIS CUSSION OF THE SITUATION-HE BELIEVES THAT THE PROJECT WILL SUCCEED.

Few men know more about the canal routes than Rear Admiral Daniel Ammen, now on the retired list of the Navy. His observations and explorations in the Central American countries extend over a period of more than thirty-five years. the city a short time ago to attend a meeting of the Nicaragua Canal Company, of which he is a director, he promised a reporter of the Tribune some interesting information regarding the Nicaragua route. This is formation he subsequently sent to him.

"In compliance with a resolution of Congress on the 75th of March, 1872," says the Admiral, "the Presi dent appointed a commission consisting of General A. A. Humphreys, Captain C. P. Patterson and myself to examine into the entire Isthmian question. After an investigation of the Tehuantepec, the Nicaragua and the Atrato-Napipi routes and the several tentative lines in the vicinity of Caledonia Bay, the commission asked for and obtained an inspection of the Nicaragua and Atrato-Napipi routes, which seemed to promise pos-sible practicable canal routes. A satisfactory instrumental location and calculations and plans for a canal across the Isthmus were placed before the commission, and soon after that, in 1876, the final report was made. It said that the Nicaragua route, beginning at or near Greytown possesses, both for the construction and maintenance of a canal, greater advantages and offers fewer difficulties from engineering, commercial and economical points of view than any one of the other routes shown to be practicable by surveys sufficient in detail to enable a judgment to be formed of their relative merits."

After giving a full history of the canal question from that date, with accounts of the interest taken in the project by General Grant, the surveys of Luli, the Paris Congress of 1879, the opposition of De Lesseps and Captain Eads to the Nicaragua route, the work of General Zavala, and the final concession, Admiral Ammen continued:

In looking at the construction of a canal across the Isthmus, the health question will be found the most important, even from a commercial point of view. The humanitarian will be pleased to know that there is perhaps no country on the globe where the canal could be made with less loss of life from dis-case than on the route of the Nicaragua canal as now laid out. It lies between latitude 12 degrees and 101-2 minutes north, directly in range of temperature throughout the year of only seventeen degrees, which is less than a usual daily change with us for many days in every month of the year. The general direction from Greytown to Prito is a little north of west, and the natural summit above the full-lake is only forty-three feet. Owing in part to the high mountains that lie at some tance on both sides of the river San Juan, which is the outflow of the lake, a funnel-shaped entrance is given to the trade winds which traverse this district great climatic advantage. with There popular idea, and unhappily generally on fact, that human life in

the tropics is ephemeral in a greater degree than in the temperate zone. The pestilential climate of Panama is indisputable. That the healthfulness of Nicaragua, however, is exceptional for a tropical region can be proved. It is also exempt from hurricanes and whirlwinds, owing ito the constant movement of air across the Isthmus from the trade-winds. When this canal is made, as it doubtless soon will be, the region lying between the lakes and the Pa-

cific will be the great sanitarium of Europe and the United States, as it will be easy of access and will be found to fulfil the required conditions more fully than any other region known. This climatic condition, if looked at only from a commercial point of view, is of immense advantage in relation to the building of a canal in Nicaragua. Seventy-five years ago the great Humboldt wrote: "The Isthmus of Nicaragua, by the position of its inland lake and the communication of that lake with the Atlantic by the River Rio San Juan, presents several features of resemblance with that neck of land in the Scotch Highlands where the River Ness forms a natural continuation between the mountain lakes and the Gulf of Murray. At Nicarsgua in the Scotch Highlands, be but one narrow bridge to pass over. It appears somewhat probable that the province of

bright mothins, they looked risther foolist, as I thought. The spectators had now increased some what, and I was placed under guard. The crowd becam to discuss the arfair, and soon I heard voices calling for the 1 was led into the circle that had been formed and stood before the court. The judge, he looked at me very severely, with his eyebrows lowering. With a bass wide put on for the occasion, became of the count at the province of the court at present. Fetch along the witnesses.

"This made me anary, and I replied, You or any other man that says I stole is a —— like." I make me any other man that says I stole is a —— like." I make me any other man that says I stole is a —— like. The means of the storekeeper swore he left me alone in the tent, and that when he returned be missed life front. Finding a man fast asleep on the bench he avoid him to tell of his loss, and to hunt up some of the nearest miners to help eath the titlet. I believe that's the chap standing there 'pointing rist of the cast as stated, then the party who went after me mede their statements, slightly exaggerated, unfavorable to me. I tried to get in a word or two in my dead their statements, slightly exaggerated, unfavorable to me. I tried to get in a word or two in my dead their statements, slightly exaggerated, unfavorable to me. I tried to get in a word or two in my dead their statements, slightly exaggerated, unfavorable to me. I tried to get in a word or two in my dead their statements, slightly exaggerated, unfavorable to me. I tried to get in a word or two in my dead to the state of the thin of the state of the s

the Paris Canal Congress Sir John Hawkshaw put it at fifteen minutes. At St. Mary's Falls, where our Government has the largest lift-lock known, with a lift of eighteen feet, a lockage can be effected in thirteen minutes. In the construction of this canal there is a deep rock-cut, nearly three miles long, hear Greytown. A good part of the material will be required to construct a considerable mole at the entrance at Greytown, and for a dam at Ochoa. Looking at the deep rock cut on the eastern side, near Greytown, it is worth while to bear in mind that its making is purely voluntary but far preferable to twenty miles of additional excavation, which would flank all deep cuts.

With the facts before him as presented in "The Engineering News" of September 14, an engineer can form an approximate estimate of the cost of the canal. If money can be obtained without discount, it would cost one sum, if not, quite another. It the Government should take a first mortgage by guaranteeing 3 per cent interest on \$100,000,000 of bonds for a term of years, the cost would be reduced to a minimum, so far as the money question is concerned. If the company has to look about and obtain funds at home and abroad without other guarantee than successful completion of the work, the cost of the execution of the canal would perhaps be widely different. In this case, the traffic of the world passing through the canal and not the company, would eventually pay the difference by the additional charge in toil rates. If, owing to this and other considerations, the canal should cost moneyed support assured on a basis of 3 per cent, the canal, including interest on the bonds, should not cost more than \$150,000,000,001 if indeed that much.

Look at a map, or better still, with a globe before yon, cast a glance along the coast lines north and

cost more than \$150.000,000, if indeed that much.

Look at a map, or better still, with a globe before you, cast a glance along the coast lines north and south from Brito, the intended Pacific port of the canal. Peopled, as it now is, from north to south, the coast would of itself yield an enormous revenue. Look then toward Japan, the northern coast of China, the Philippine Islands, and on the southern hemisphere, toward the eastern coast of Australia and New-Zealand. All the traffic from these regions, not only with us but to Europe, would pass through the canal, save the sailing vessels bound to Europe from Australia and New-Zealand, which would pass around Cape Horn. That the Nicaragua Canal will be constructed and without delay, is assured by these facts, which tell also why the Panama Canal was a failure and why it will never be completed.

SOME SUGGESTIVE NAMES. From The Philadelphia Inquirer.

From The Philadelphia Inquirer.

The death of Adam Forepaugh will recall the frequency with which this city has supplied illustrations of the curious adaptation of surnames to business occupations. The explanation usually found for such fitness is that a great many names were originally derived from occupations, and the number of such names is so great that, after all, it is not remarkable that some modern Smith should return to the occupation of the founder of his family. But that the bearer of the name Forepaugh and the owner of a menagerie should be combined in the same persot cannot be explained in this way. Nor will it account for the equally striking adaptation of the name to the profession of that famous Philadelphia physician. Dr. Philip Syng Physick. It does not explain how Professor Hartshorne came to be a physician. To ex-President of Select Council, Mr. Lex, is a law, as his father was before him, and the same name translated from Latin into English has been borne by another Philadelphia lawyer. The directory of any large city will furnish a great many similar instances, but not often where the persons have attained. stances, but not often where the persons have att